AMENDED IN ASSEMBLY MAY 27, 2005 AMENDED IN ASSEMBLY APRIL 20, 2005

CALIFORNIA LEGISLATURE—2005–06 REGULAR SESSION

ASSEMBLY BILL

No. 993

Introduced by Assembly Member Canciamilla

February 22, 2005

An act to add Section 25303.5 to the Public Resources Code, relating to energy resources.

LEGISLATIVE COUNSEL'S DIGEST

AB 993, as amended, Canciamilla. Planning and forecasting: liquefied natural gas.

Existing law requires the State Energy Resources Conservation and Development Commission to prepare an integrated energy policy report every 2 years. Existing law also requires the commission to conduct assessments and forecasts of all aspects of energy industry supply, production, transportation, delivery and distribution, demand, and prices, including electricity and natural gas forecasting and assessment activities.

This bill would require the commission to assess the role of liquefied natural gas in meeting California's natural gas needs, including, but not limited to, a cost/benefit analysis. The bill would specify certain information that is required to be included in authorize the commission to use existing studies and data when preparing the assessment.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

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The people of the State of California do enact as follows:

SECTION 1. Section 25303.5 is added to the Public Resources Code, to read:

- 25303.5. (a) The commission shall assess the role of liquefied natural gas in meeting California's natural gas needs, including, but not limited to, a cost/benefit analysis.
- (b) The assessment prepared pursuant to subdivision (a) shall include all of the following:
- (b) The commission shall prepare the assessment pursuant to subdivision (a) in conformance with the commission's duties specified in Section 25301. The commission may prepare the assessment using any existing studies and data that are readily available. The assessment shall include all of the following:
- (1) An evaluation of differences in safety risks, public acceptance, costs, and other issues associated with placing liquefied natural gas terminals onshore, compared to placing them offshore.
- (2) An evaluation of differences in safety risks,—public acceptance, and other issues associated with connecting new liquefied natural gas terminals to the state's existing natural gas infrastructure, compared to expanding current pipelines to increase natural gas imported from outside the state. This evaluation shall address whether sufficient natural gas from outside the state will be available if the pipelines are expanded.
- (3) An evaluation of the additional natural gas pipeline capacity that is necessary to move liquefied natural gas from west to east.
- (4) (A) An evaluation of the impact on performance, safety, and emissions of natural gas-fired processes resulting from using liquefied natural gas that is shipped from other countries, compared to using natural gas from current sources.
- (B) For purposes of this paragraph, "natural gas-fired processes" includes residential, commercial, and industrial processes.
- (5) An evaluation of the impact that siting a liquefied natural gas terminal has on local property values.
- (6) An evaluation of the impact that siting a liquefied natural gas terminal has on local public safety agencies.

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- 1 (7) A list of proposed liquefied natural gas projects and their 2 status.
- (8) A bibliography of available information associated with the costs and benefits of siting liquefied natural gas terminals in 3
- the state.